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the municipal council has to pay in respect of an officer. The payment of transit pay admissible to a Government servant on reversion from foreign service, together with his leave and pensionary contributions is a contingent liability and the section does not prohibit a municipal council from paying the above charges due to an outgoing Commissioner in addition to the expenditure incurred on the incumbent in office.

(By order of the Government, Ministry of Local Self-Government)

T. B. Russell,
Secretary to Government.

To the Commissioner, Coimbatore Municipality (through the Chairman).
,, Revenue Department.
,, Finance Department.
,, Examiner of Local Fund Accounts.

Appendix V.

[Vide answer to question No. 610 asked by Mr. K. A. Nachiyappa Gounder at the meeting of the Legislative Council held on the 30th January 1936, page 146 supra.]

G.O. No. 5210, L. & M., dated 13th December 1933.

In view of the fact that co-operative central banks are now holding large surplus funds which they are unable to use on profitable business, the Government have decided that all possible steps should be taken to reduce these surpluses. In modification of G.O. No. 2758, L. & M., dated 14th July 1932, and all previous orders on the subject, the Government direct—

(1) that no local board or municipal council should make any fresh fixed deposit of any of its funds in any co-operative central bank until further orders;

(2) that no local board or municipal council should renew its fixed deposits in these banks except with the previous sanction of the Registrar of Co-operative Societies and at such rate of interest not exceeding the prevailing market rate as may be approved by the Registrar; and

(3) that no local board or municipal council should lodge money in current account with these banks beyond the maximum limit which will be laid down for it by the Registrar.

2. If co-operative central banks offer to repay fixed deposits before maturity, the local bodies concerned are advised to receive them without loss of interest accruing up to the date of repayment.

3. Local boards and municipal councils may, without reference to Government, invest in the 20-year debentures of the Madras Co-operative Central Land Mortgage Bank, Limited, portions of their provident fund not exceeding in the aggregate one-sixth of the total amount at

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the credit of the fund, as already directed in paragraph 1 of G.O. No. 219, L. & M., dated 17th January 1933. They may invest all other surplus funds in the Imperial Bank of India and in terminable Government securities.

(By order of the Government, Ministry of Local Self-Government)

E. CONRAN SMITH,
Secretary to Government.

To all Presidents of District Boards.
,, all Presidents of Taluk Boards with copies for major panchayats.
,, all Chairmen of Municipal Councils.
,, all Collectors.
,, the Inspector of Municipal Councils and Local Boards.
,, the Registrar of Co-operative Societies (through Development Department).
,, the Examiner of Local Fund Accounts.
,, the Revenue Department.
,, the Finance Department.
,, the Development Department.

APPENDIX VI.

[Vide answer to question No. 621 asked by Mr. M. B. Rangaswami Reddi at the meeting of the Legislative Council held on the 30th January 1936, page 152 supra.]

An extract of paragraph III (iii) of the G.O. No. 773, *Revenue, dated the 2nd May* 1933.

Contribution from ryots—Paragraph 73 *of the report.*—The Government accept Mr. Leach's suggestions. The Board of Revenue is requested to issue instructions to Collectors to bear in mind the possibility of demanding contributions from ryots towards the cost of repairs in cases of the kind referred to by Mr. Leach.

An extract of paragraph 73 *of Mr. Leach's report.*—It is in the last of these three ways that the burden on the State might possibly be lessened by casting a part of it upon the ryots. In some districts, such as Chittoor and North Arcot, it is not uncommon for the Collector to require the ryots to pay a contribution towards repairs; in others this is very rare. There was at one time a rule that an estimate for repairs should not exceed a certain number of years' revenue under the tank; in such cases unless the ryots contributed to the cost the repairs were not done. The rule was a bad one and I do not suggest its revival. Nor do I suggest any hard and fast rule, such as that of the one-fourth contribution in Mysore. But there are cases where the demanding of a contribution is not unreasonable; for instance when it is proposed to repair a sluice which does not drain the tank properly, so that the ryots have to bale water from the bed into the sluice when supplies are low, it is reasonable that they should make some contribution to a rearrangement of the sluice that will save them that trouble. Or when an earth bund is faced with a stone revetment, so that the labour under kudimaramat on maintaining the bund in good order is diminished